

Russian Car Market Recovers Slightly in November, AEB Says

By [The Moscow Times](#)

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A visitor uses his cell phone near a lineup of cars at a car dealership in Moscow.

A state scheme to support local car sales and a rush to buy before expected price increases slowed falls in auto sales in Russia to 1.1 percent year-on-year in November from 9.9 percent a month earlier, a lobby group said Monday.

The Association of European Businesses lobby group said 229,439 new cars and light commercial vehicles were sold in Russia in November, compared to 232,059 a year ago, as Western sanctions over Ukraine further weakened the Russian economy.

To support automakers, Russia earmarked 10 billion rubles (\$186 million at the current rate) in September to fund incentives for new vehicle purchases until the end of this year.

Last week it extended the program, under which the state provides cash incentives for Russians to buy new cars if they sell old ones for scrap, into 2015 with a further 10 billion

rubles.

"Retail demand has been extraordinary in recent weeks, helped by government subsidies and consumers rushing to get ahead of widely anticipated new year price increases," Joerg Schreiber, chairman of the AEB Automobile Manufacturers Committee, said in a statement.

"The outlook on December sales is rather promising as well, raising the prospect of a decent closing of a difficult year for the Russian car market."

In January–November, sales were down 11.6 percent at 2.22 million, largely in line with AEB's forecast for a 12 percent sales drop in 2014 as a whole.

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